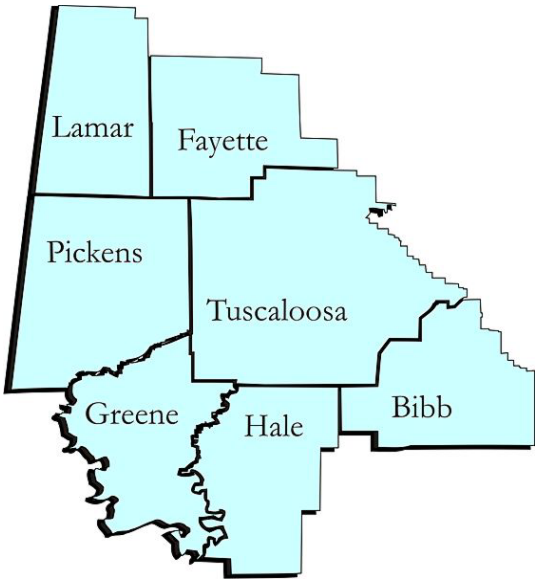
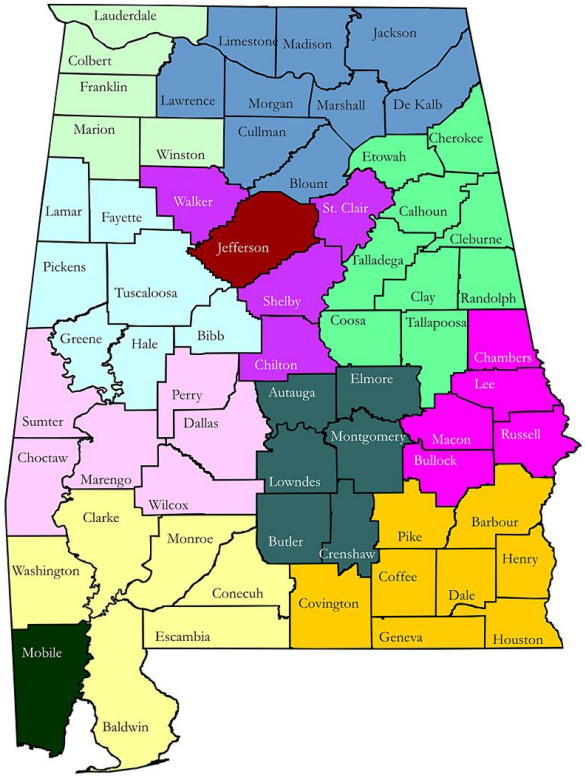
WIAA Region 3 Workforce Report





Summary

- Region 3 had a 3.9 percent unemployment rate in August 2005, with about 5,100 unemployed. However, the seven-county region has a 37,400-strong available labor pool that is looking for better jobs and includes 32,300 underemployed workers. The underemployed are willing to commute farther and longer; for the one-way commute, 58 percent are prepared for 20 or more minutes longer and 44 percent will go 20 or more extra miles.

- In 2000, about 16,300 residents commuted out of the region for work, compared to 7,700 in-commuters. Most commuters worked in other Alabama counties, mainly Jefferson. Significant commuting within the region suggests that roads and highways must be maintained properly to ensure uninterrupted movement of workers as impeded movement of workers can slow economic development.

- Educational attainment in the region is slightly below the state as a whole. Of the age 25 and over population, Alabama has 75 percent high school graduates and 19 percent bachelor's or higher degree holders, compared to 74 percent and 18 percent, respectively, for the region. Tuscaloosa County stands out with roughly 79 percent high school graduates and 24 percent bachelor's or higher degree holders.

- Employment is currently growing faster than the labor force and population. While this may reduce commuter outflow, it also presents a challenge to workforce development. Initiatives addressing this challenge should consider (i) focusing on hard-to-serve populations (e.g. out-of-school youth and illiterate adults), (ii) facilitating in-commuting, and (iii) helping communities gain new residents. Increasing population is generally more beneficial to communities than in-commuting, but communities must be prepared to invest in amenities and infrastructure to support population growth. Hard-to-serve populations are often outside of the mainstream economy, poor, and have difficulty finding work, but are potential labor force participants. Investment in training, transportation, child care, infrastructure, etc. may be needed to tap this resource.

- By sector, the top five employers in the region are manufacturing, health care and social assistance, retail trade, educational services, and accommodation and food services. These five industries provided 60,740 jobs, 63 percent of the region total in the second quarter of 2004. Two of these leading employers—manufacturing and health care and social assistance—had higher average monthly wages than the $2,626 regional average.

- On average about 4,800 jobs were created per quarter from second quarter 2001 to second quarter 2004; quarterly net job flows averaged 200. Job creation is the number of new jobs that are created either by new area businesses or through expansion of existing firms. Net job flows reflect the difference between current and previous employment at all businesses.

- Five occupations are both high-demand and fast-growing: Electricians; Inspectors, Testers, Sorters, Samplers, and Weighers; Receptionists and Information Clerks; Welders, Cutters, Solderers, and Brazers; and Cleaners of Vehicles and Equipment. The top five high-demand occupations are Cashiers; Retail Salespersons; Combined Food Preparation and Serving Workers; Waiters and Waitresses; and Laborers and Freight, Stock, and Material Movers, Hand. The top five fast-growing occupations are Grinding and Polishing Workers, Hand; Radiologic Technologists and Technicians; Industrial Engineers; Home Health Aides; and Bill and Account Collectors.

- The top 50 highest earning occupations are mainly in health, legal, management, engineering, computer, and postsecondary education fields. The top five are all health occupations and led by Anesthesiologists. Almost all high-earning occupations require bachelor's or higher degrees.

- Fast-growing or high-demand occupations are generally not high-earning. Of 40 selected high-demand, 29 selected fast-growing, and 50 selected high-earning occupations, only one high earning occupation, General and Operations Managers, is in the high-demand category. Six occupations are both high-earning and fast-growing: Pharmacists; Industrial Engineers; Medical and Health Services Managers; Management Analysts; Computer Systems Analysts; and Sales Representatives, Wholesale and Manufacturing, Technical and Scientific Products.

- The most relevant skills for high-demand and fast-growing occupations are basic: active listening, reading comprehension, speaking, writing, and service orientation. High-demand and high-growth occupations are also common to the leading employment sectors. Economic development should aim to diversify and strengthen the region's economy by retaining, expanding, and attracting more high-wage providing industries.

- The finding that basic skills are important—for high-demand, high-growth, and high-earning jobs—indicates a strong need for training in these skills. Ideally, all high school graduates should possess basic skills so that postsecondary and higher education can focus on other and more complex skills as well as enhancing these basic skills. Employers should be an integral part of planning for training as they can help identify future skill needs and any existing gaps.

- Skill and education requirements for jobs keep rising. These facts strongly emphasize the need to raise educational attainment in the region and present challenges to workforce development. They also present opportunities for economic development through workforce development activities that involve postsecondary and higher education institutions. Higher incomes to graduates from these institutions would help to raise personal income for the region. Raising personal income by improving educational attainment for a region that has low population and labor force growth rates is an effective economic development strategy.

- A highly educated and productive workforce is a critical economic development asset. Together, workforce development and economic development can provide this asset and build a strong well-diversified regional economy. Indeed, one cannot achieve success without the other.

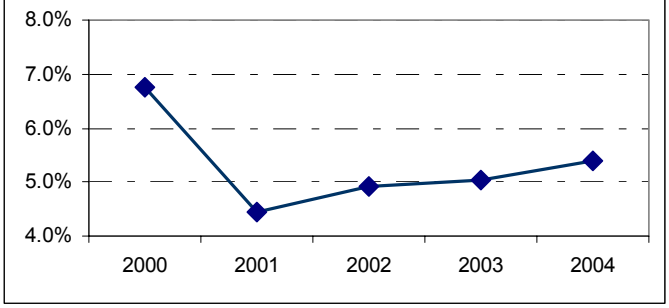
Workforce Supply

Labor Force Activity

The labor force includes all persons in the civilian noninstitutional population who are age 16 and over and who have, or are actively looking for, a job. Typically, those who have no job and are not looking for one are not included (e.g. students, retirees, and the disabled). Table 3.1 shows labor force information for Region 3 and its seven counties for 2004 and August 2005. Relatively larger increases in the number of employed residents relative to labor force size lowered unemployment rate in 2005 for the region and its counties. The labor force shrank in Fayette, Lamar, and Pickens counties; Lamar County's number of employed residents fell, but by much less than its labor force.

Unemployment rates in 2004 ranged between 4.6 percent and 8.4 percent for the counties, with 5.4 percent for the region. The unemployment range in August 2005 was 3.5 percent to 6.1 percent, with a 3.9 percent rate for the region. Only Tuscaloosa County had a lower unemployment rate than the state's 4.2 percent. Annual unemployment rates for 2000 to 2004 are shown in Figure 3.1. The region's unemployment dropped to 4.4 percent in 2001 and slowly rose to 5.4 percent in 2004. Employment in the region averaged 96,800 quarterly from the

Figure 3.1 WIAA Region 3 Unemployment Rate



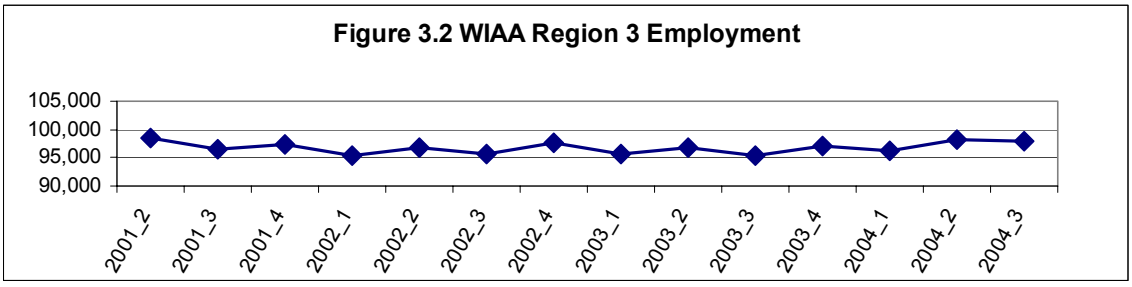
Source: Alabama Department of Industrial Relations.

second quarter of 2001 to third quarter 2004 (Figure 3.2). The low point was recorded in the first quarter of 2002, but employment is recovering with increasing economic activity. Employment refers to the number of full-time and part-time jobs.

Table 3.1 WIAA Region 3 Labor Force Information

	2004			
	Labor Force	Employed	Unemployed	Rate
Bibb	8,945	8,463	482	5.39%
Fayette	7,942	7,406	536	6.75%
Greene	3,603	3,300	303	8.41%
Hale	7,156	6,652	504	7.04%
Lamar	6,406	5,880	526	8.21%
Pickens	8,109	7,499	610	7.52%
Tuscaloosa	84,159	80,305	3,854	4.58%
WIAA Region 3	126,320	119,505	6,815	5.40%
Alabama	2,148,766	2,029,314	119,452	5.56%
U.S.	147,401,000	139,252,000	8,149,000	5.53%
	2005 August			
	Labor Force	Employed	Unemployed	Rate
Bibb	8,948	8,542	406	4.54%
Fayette	7,869	7,536	333	4.23%
Greene	3,657	3,434	223	6.10%
Hale	7,270	6,922	348	4.79%
Lamar	6,088	5,782	306	5.03%
Pickens	7,938	7,511	427	5.38%
Tuscaloosa	86,587	83,567	3,020	3.49%
WIAA Region 3	128,357	123,294	5,063	3.94%
Alabama	2,155,745	2,065,528	90,217	4.18%
U.S.	150,469,000	143,142,000	7,327,000	4.87%

Source: Alabama Department of Industrial Relations and U.S. Bureau of Labor Statistics.



Source: Alabama Department of Industrial Relations and U.S. Census Bureau.

Commuting Patterns

In 2000, about 8,560 more people commuted out of the region for work than commuted in (Table 3.2). There was significant commuting within the region as well. Table 3.2 also shows the one-way average commute time and distance for workers in 2004; the data were collected as part of a survey on underemployment. The one-way commute takes less than 20 minutes for 53 percent of resident workers; between 20 and 40 minutes for 25 percent; and more than 40 minutes for 18 percent. About 3 percent of workers take more than an hour.

The commute is less than 10 miles for 44 percent of workers and roughly 26 percent travel 10 to 25 miles. About 25 percent of workers travel more than 25 miles one-way, with over 6 percent exceeding 45 miles. This commuting data suggest that roads and highways must be maintained properly to ensure uninterrupted movement of workers so as to not slow economic development.

Table 3.2 WIAA Region 3 Commuting Patterns

Area	Inflow, 2000			Outflow, 2000	
	Number	Percent		Number	Percent
Bibb	788	10.2		3,460	21.3
Fayette	578	7.5		1,715	10.5
Greene	184	2.4		626	3.9
Hale	455	5.9		808	5.0
Lamar	831	10.8		1,658	10.2
Pickens	326	4.2		1,326	8.2
Tuscaloosa	4,544	59.0		6,676	41.0
WIAA Region 3	7,706	100.0		16,269	100.0

Average commute time (one-way), 2004	Percent of workers
Less than 20 minutes	53.3
20 to 40 minutes	24.8
40 minutes to an hour	15.4
More than an hour	2.9

Average commute distance (one-way), 2004	Percent of workers
Less than 10 miles	43.8
10 to 25 miles	26.3
25 to 45 miles	19.0
More than 45 miles	6.3

Note: Rounding errors may be present.

Source: U.S. Census Bureau and Alabama Department of Industrial Relations.

Population

The Region 3 population estimate of 270,091 for 2004 is 0.7 percent more than was recorded for 2000 (Figure 3.3 and Table 3.3). Hale County led population growth with 6.3 percent, but four counties lost residents. The region's population is projected to grow 6.3 percent in this decade to about 285,150 by 2010. Population will grow fastest in Bibb County while Greene County's population is expected to shrink further. Faster employment growth will reduce commuter outflow and place less of a burden on the region's roads. Communities that experience rapid job gains should invest in amenities and infrastructure to attract new residents.

Figure 3.3 WIAA Region 3 Population

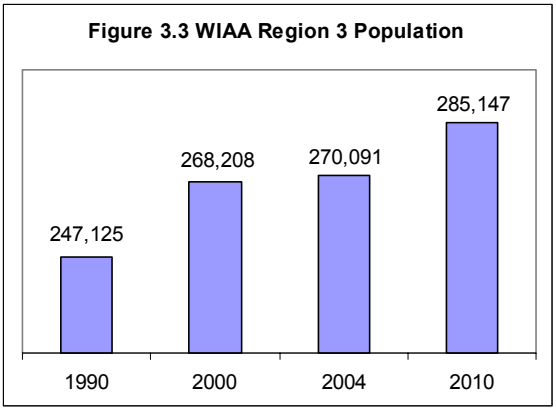


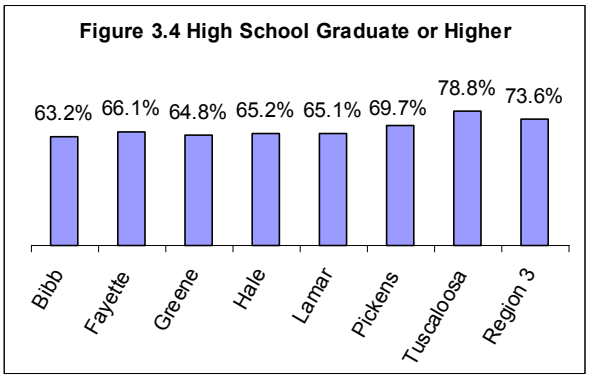
Table 3.3 WIAA Region 3 Population

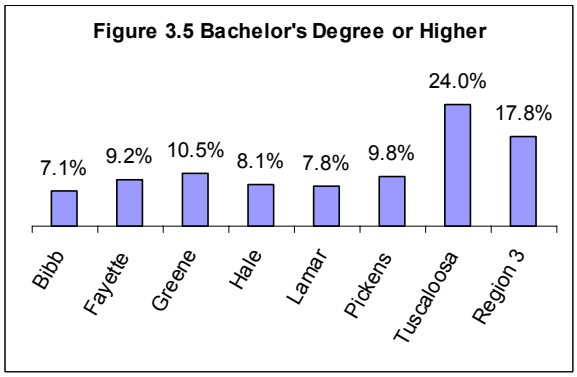
	1990 Census	2000 Census	2004 Estimate	% Change 2000-2004	2010 Projected	% Change 2000-2010
Bibb	16,576	20,826	21,317	2.4	24,861	19.4
Fayette	17,962	18,495	18,273	-1.2	18,795	1.6
Greene	10,153	9,974	9,746	-2.3	9,688	-2.9
Hale	15,498	17,185	18,275	6.3	18,892	9.9
Lamar	15,715	15,904	14,975	-5.8	16,105	1.3
Pickens	20,699	20,949	20,401	-2.6	21,259	1.5
Tuscaloosa	150,522	164,875	167,104	1.4	175,547	6.5
WIAA Region 3	247,125	268,208	270,091	0.7	285,147	6.3
Alabama	4,040,587	4,447,100	4,530,182	1.9	4,838,812	8.8
U.S.	248,709,873	281,421,966	296,655,404	5.4	314,571,000	11.8

Source: Center for Business and Economic Research, The University of Alabama and U.S. Census Bureau.

Educational Attainment

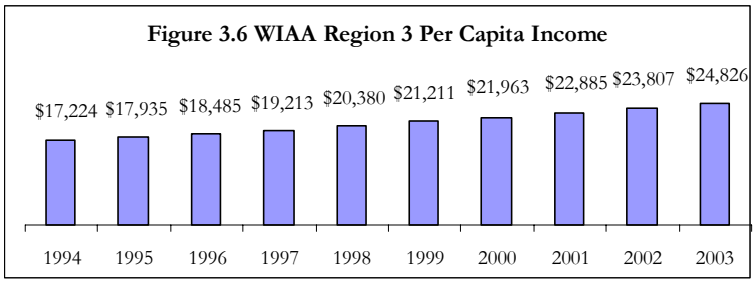
Educational attainment of Region 3 residents who are 25 years old and over is shown below in Table 3.4 and Figures 3.4 and 3.5. About 74 percent graduated from high school and nearly 18 percent hold a bachelor's or higher degree. Tuscaloosa County stands out with roughly 79 percent high school graduates and 24 percent bachelor's or higher degree holders. Educational attainment is important as skills rise with education and high wage 21st century jobs demand more skill sets.





Per Capita Income

Per capita income (PCI) in Region 3 was at $24,826 in 2003 (Figure 3.6), 44 percent higher than in 1994, and $1,680 or 6 percent lower than the Alabama average of $26,505. The PCI was highest in Tuscaloosa County ($27,845); PCIs for the other counties were below the state average. Hale County had the lowest PCI with $18,368.



Source: U.S. Bureau of Economic Analysis and Center for Business and Economic Research, The University of Alabama.

Table 3.4 Educational Attainment in 2000, Population 25 Years and Over

	Bibb	Fayette	Greene	Hale	Lamar	Pickens	Tuscaloosa	Region 3
Total	13,540	12,579	6,204	10,591	10,758	13,536	99,039	166,247
No schooling completed	261	177	239	258	107	283	1,402	2,727
Nursery to 4th grade	137	209	183	147	94	182	712	1,664
5th and 6th grade	484	395	249	359	340	399	1,380	3,606
7th and 8th grade	901	918	284	648	876	646	2,924	7,197
9th grade	862	793	284	510	632	583	3,005	6,669
10th grade	915	742	316	603	847	745	3,908	8,076
11th grade	648	540	305	525	442	620	3,812	6,892
12th grade, no diploma	776	491	322	633	421	650	3,838	7,131
High school graduate/equivalent	4,838	4,404	2,165	3,803	4,036	5,110	28,115	52,471
Some college, less than 1yr	718	829	266	631	646	672	6,177	9,939
Some college, 1+ yrs, no degree	1,355	1,344	734	1,094	956	1,612	14,597	21,692
Associate degree	683	580	205	522	523	711	5,365	8,589
Bachelor's degree	551	723	457	541	583	873	14,193	17,921
Master's degree	322	326	169	229	232	367	6,271	7,916
Professional school degree	67	79	21	62	23	71	1,586	1,909
Doctorate degree	22	29	5	26	0	12	1,754	1,848

Source: Center for Business and Economic Research, The University of Alabama and U.S. Census Bureau.

Underemployment and Available Labor

Labor force data are often limited to information on the employed and the unemployed that is available from government sources. However, this information is not complete from the perspective of employers. New or expanding employers are also interested in underemployment because current workers are potential employees. In fact, experience requirements in job ads are evidence that many prospective employers look beyond the unemployed for workers.

Workers in occupations that underutilize their experience, training, and skills are underemployed. These workers might look for other work because their current earnings are below what they believe they can get or because they wish to not be underemployed. Underemployment occurs for various reasons including (i) productivity growth, (ii) spousal employment and income, and (iii) family constraints or personal preferences. The various contributing factors combined with economic, social, and geographic characteristics of areas make underemployment unique to areas.

The existence of underemployment identifies economic potential that is not being realized. It is extremely difficult to measure this economic potential because of uncertainties regarding additional income that the underemployed can bring to an area. It is clear, however, that underemployment provides opportunities for selective job creation and economic growth. A business that needs skills prevalent among the underemployed could locate in WIAAs with such workers regardless of those areas' unemployment rates. A low unemployment rate, which may falsely suggest limited labor availability, is not a hindrance to the business.

The underemployed present a significant pool of labor because they tend to respond to job opportunities that they believe are better for reasons that include (i) higher income, (ii) better benefits, (iii) better terms and conditions of employment, and (iv) better match with skills, training, and experience. The underemployed also create opportunities for entry level workers as they leave

lower-paying jobs for better-paying ones. Even if their previously held positions are lost or not filled (perhaps due to low unemployment), there is economic growth in gaining higher-paying jobs. Such income growth boosts consumption, savings, and tax collections. Quantifying the size of the underemployed is a necessary first step in exploiting it for economic development, workforce training, planning, and other uses.

WIAA Region 3 had an underemployment rate of 26.2 percent in 2004. Applying this rate to August 2005 labor force data means that about 32,300 employed residents were underemployed (Table 3.5). Adding the unemployed gives a total available labor pool of about 37,400 for the region. This pool is more than seven times the number of unemployed and is a more realistic measure of the available labor in the region. However, prospective employers must be prepared to offer the underemployed higher wages, better terms of employment, or some other incentives to induce them to change jobs. Underemployment ranged from 6.3 percent for Fayette County to 37.7 percent for Lamar. Tuscaloosa County has the largest available labor and Fayette County has the smallest.

Table 3.5 Available Labor in WIAA Region 3

	Region 3	Bibb	Fayette	Greene	Hale	Lamar	Pickens	Tuscaloosa
Labor Force	128,357	8,948	7,869	3,657	7,270	6,088	7,938	86,587
Employed	123,294	8,542	7,536	3,434	6,922	5,782	7,511	83,567
Underemployment rate	26.2%	23.5%	6.3%	29.1%	30.0%	37.7%	23.7%	28.2%
Underemployed workers	32,303	2,007	475	999	2,077	2,180	1,780	23,566
Unemployed	5,063	406	333	223	348	306	427	3020
Available labor pool	**37,366**	**2,413**	**808**	**1,222**	**2,425**	**2,486**	**2,207**	**26,586**

Note: Rounding errors may be present. Based on August 2005 labor force data and 2004 underemployment rates.
Source: Center for Business and Economic Research, The University of Alabama and Alabama Department of Industrial Relations.

Workforce Demand

Industry Mix

The manufacturing sector was the leading employer with about 17,300 jobs in the second quarter of 2004 (Table 3.6). Rounding up the top five industries by employment are health care and social assistance; retail trade; educational services; and accommodation and food services. These five industries provided 60,736 jobs, 63 percent of the region total. The average monthly wage across all industries in the region was $2,626; two of the leading employers paid more than this average. The highest average monthly wages were for mining ($5,103), utilities ($3,942), and manufacturing ($3,704). Accommodation and food services paid the least at $1,015. Mining also had the highest average monthly new hire wages with $3,813, followed by manufacturing with $2,718 and utilities with $2,671. Accommodation and food services paid the least average monthly new hire wages with $718.

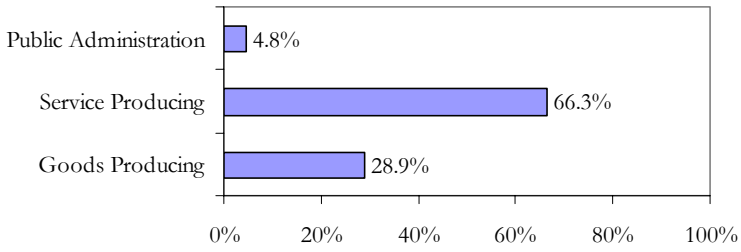
Table 3.6 Industry Mix (2nd Quarter 2004)

Industry by 2-digit NAICS Code	Total Employment	Share	Rank	Average Monthly Wage	Average Monthly New Hire Earnings
11 Agriculture, Forestry, Fishing and Hunting	1,507	1.56%	15	$2,110	$1,589
21 Mining	2,752	2.85%	11	$5,103	$3,813
22 Utilities	496	0.51%	19	$3,942	$2,671
23 Construction	6,398	6.62%	6	$2,735	$2,299
31-33 Manufacturing	17,286	17.89%	1	$3,704	$2,718
42 Wholesale Trade	2,146	2.22%	14	$3,240	$2,179
44-45 Retail Trade	11,686	12.09%	3	$1,880	$1,203
48-49 Transportation and Warehousing	2,918	3.02%	9	$2,677	$2,109
51 Information	1,161	1.20%	17	$2,929	$1,963
52 Finance and Insurance	2,302	2.38%	13	$3,145	$2,175
53 Real Estate and Rental and Leasing	1,366	1.41%	16	$2,089	$1,454
54 Professional, Scientific, and Technical Services	2,735	2.83%	12	$2,891	$1,936
55 Management of Companies and Enterprises	337	0.35%	20	$1,997	$1,514
56 Administrative and Support and Waste Management and Remediation Services	3,493	3.61%	8	$1,696	$1,188
61 Educational Services	11,428	11.83%	4	$2,562	$1,434
62 Health Care and Social Assistance	12,562	13.00%	2	$2,646	$1,670
71 Arts, Entertainment, and Recreation	927	0.96%	18	$1,469	$997
72 Accommodation and Food Services	7,774	8.05%	5	$1,015	$718
81 Other Services (except Public Administration)	2,756	2.85%	10	$1,661	$1,205
92 Public Administration	4,600	4.76%	7	$2,603	$1,650
ALL INDUSTRIES	96,630	100.00%		$2,626	

Source: Alabama Department of Industrial Relations and U.S. Census Bureau.

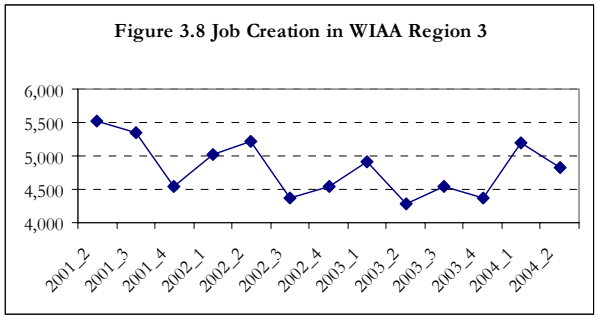
By broad industry classification, service producing industries provided about 66 percent of jobs in second quarter 2004 (Figure 3.7). Goods producing industries were next with 29 percent and public administration nearly 5 percent. This distribution is for all covered jobs in the region.

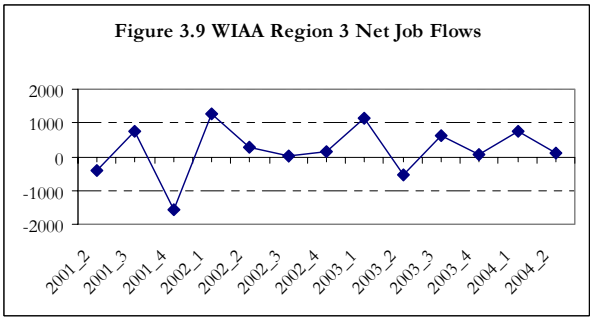
Figure 3.7 WIAA Region 3 Employment Distribution



Job Creation and Net Job Flows

On average, about 4,800 jobs were created per quarter from second quarter 2001 to second quarter 2004. Figure 3.8 shows job creation on a slightly downward trend over the period, but clearly rising since the second quarter of 2003. Quarterly net job flows averaged 202 in the same period (Figure 3.9). Net job flows have ranged from a loss of almost 1,600 to a gain of about 1,100. Job creation refers to the number of new jobs that are created either by new area businesses or through the expansion of existing firms. Net job flows reflect the difference between current and previous employment at all businesses.





Source: Alabama Department of Industrial Relations and U.S. Census Bureau.

High-Demand Occupations

Table 3.7 shows the top 40 of about 440 occupations ranked by projected demand for jobs. Many of these occupations are common to the top five employment sectors identified earlier: manufacturing; retail trade; health care and social assistance; educational services; and accommodation and food services. Thus these sectors will continue to dominate employment in the region. The top five high-demand occupations are Cashiers; Retail Salespersons; Combined Food Preparation and Serving Workers; Waiters and Waitresses; and Laborers and Freight, Stock, and Material Movers, Hand.

Fast-Growing Occupations

The top 29 of occupations ranked by projected growth of employment are listed in Table 3.8. More than half of these occupations are in health or health support, construction, installation and maintenance, and production. The top five fast-growing occupations are Grinding and Polishing Workers, Hand; Radiologic Technologists and Technicians; Industrial Engineers; Home Health Aides; and Bill and Account Collectors. Five occupations are both high-demand and fast-growing: Electricians; Inspectors, Testers, Sorters, Samplers, and Weighers; Receptionists and Information Clerks; Welders, Cutters, Solderers, and Brazers; and Cleaners of Vehicles and Equipment.

Table 3.7 Selected High-Demand Occupations (Base Year 2002 & Projected Year 2012)

Occupation	Annual Average Job Openings		
	Total	Due to Growth	Due to Separations
Cashiers	265	50	215
Retail Salespersons	175	50	125
Combined Food Preparation and Serving Workers	155	50	105
Waiters and Waitresses	135	30	105
Laborers and Freight, Stock, and Material Movers, Hand	100	15	85
Secretaries, Except Legal, Medical, and Executive	90	25	65
Office Clerks, General	85	25	60
General and Operations Managers	80	30	50
Registered Nurses	80	40	40
Teacher Assistants	75	35	40
Truck Drivers, Heavy and Tractor-Trailer	75	40	35
Elementary School Teachers, Except Special Education	65	30	35
Electricians**	55	35	20
Secondary School Teachers, Except Special Education	50	20	30
Bookkeeping, Accounting, and Auditing Clerks	50	15	35
Janitors and Cleaners, Except Maids	50	20	30
Child Care Workers	50	20	30
First-Line Supervisors/Managers, Retail Sales	50	20	30
Cooks, Institution and Cafeteria	45	15	30
Sales Representatives, Except Technical and Scientific Products	45	20	25
Licensed Practical and Licensed Vocational Nurses	45	20	25
Nursing Aides, Orderlies, and Attendants	45	25	20
Maintenance and Repair Workers, General	45	20	25
Maids and Housekeeping Cleaners	45	25	20
Landscaping and Groundskeeping Workers	40	15	25
Construction Laborers	40	25	15
Inspectors, Testers, Sorters, Samplers, and Weighers**	35	20	15
Customer Service Representatives	35	15	20
First-Line Supervisors/Managers of Office and Administrative Support Workers	35	10	25
Receptionists and Information Clerks**	35	20	15
Automotive Service Technicians and Mechanics	30	10	20
Welders, Cutters, Solderers, and Brazers**	30	15	15
Carpenters	30	15	15
Cleaners of Vehicles and Equipment**	30	15	15
Middle School Teachers, Except Special Education	30	15	15
First-Line Supervisors/Managers of Production and Operating Workers	30	15	15
Cooks, Restaurant	30	10	20
Truck Drivers, Light or Delivery Services	30	20	10
Executive Secretaries and Administrative Assistants	25	10	15
Food Preparation Workers	25	10	15

Note: A minimum of 25 average annual job openings is used as selection criterion and data are rounded to nearest 5.

** Qualify as both high-demand and fast-growing occupations.

Source: Alabama Department of Industrial Relations.

Table 3.8 Selected Fast-Growing Occupations (Base Year 2002 & Projected Year 2012)

Occupation	Employment 2002	Employment 2012	Percent Change	Annual Growth (Percent)	Total Annual Average Job Openings
Grinding and Polishing Workers, Hand	120	220	83.3	6.25	15
Radiologic Technologists and Technicians	130	190	46.2	3.87	10
Industrial Engineers	110	160	45.5	3.82	10
Home Health Aides	520	740	42.3	3.59	25
Bill and Account Collectors	350	490	40.0	3.42	20
Personal and Home Care Aides	210	290	38.1	3.28	15
Dental Assistants	160	220	37.5	3.24	10
Electricians**	910	1,250	37.4	3.23	55
Heating, Air Conditioning, & Refrigeration Mechanics & Installers	430	590	37.2	3.21	20
Social and Human Service Assistants	270	370	37.0	3.20	15
Preschool Teachers, Except Special Education	310	420	35.5	3.08	15
Packaging and Filling Machine Operators and Tenders	170	230	35.3	3.07	10
Telecommunications Line Installers and Repairers	90	120	33.3	2.92	10
Cleaners of Vehicles and Equipment**	420	550	31.0	2.73	30
Welders, Cutters, Solderers, and Brazers**	550	720	30.9	2.73	30
Inspectors, Testers, Sorters, Samplers, and Weighers**	680	890	30.9	2.73	35
Demonstrators and Product Promoters	130	170	30.8	2.72	10
Legal Secretaries	200	260	30.0	2.66	10
Management Analysts	200	260	30.0	2.66	10
Sheet Metal Workers	270	350	29.6	2.63	15
Sales Reps., Wholesale & Manufacturing, Technical & Scientific Products	170	220	29.4	2.61	10
Hotel, Motel, and Resort Desk Clerks	170	220	29.4	2.61	15
Computer Systems Analysts	210	270	28.6	2.54	10
Coaches and Scouts	140	180	28.6	2.54	10
Plumbers, Pipefitters, and Steamfitters	470	600	27.7	2.47	20
Pharmacists	220	280	27.3	2.44	10
Receptionists and Information Clerks**	710	900	26.8	2.40	35
Helpers--Electricians	190	240	26.3	2.36	15
Medical and Health Services Managers	190	240	26.3	2.36	10

Note: Selection criteria are annual growth rate of at least 2.30 percent and a minimum of 10 average annual job openings. Employment level data are rounded to the nearest 10 and job openings data are rounded to the nearest 5.

** Qualify as both high-demand and fast-growing occupations.

Source: Alabama Department of Industrial Relations.

High-Earning Occupations

Any discussion of earnings must consider that wages vary with experience. Occupations with the highest entry wages may not necessarily have the highest average or experienced wages. Table 3.9 shows 50 selected highest earning occupations in the region. The selected high-earning occupations are mainly in health, legal, management, engineering, computer, and postsecondary education fields. The top five are health occupations. The selected high-earning occupations are generally not fast-growing or high-demand. One occupation, General and Operations Managers, is both high-earning and high-demand. Six occupations are both high-earning and fast-growing: Pharmacists; Industrial Engineers; Medical and Health Services Managers; Management Analysts; Computer Systems Analysts; and Sales Representatives, Wholesale and Manufacturing, Technical and Scientific Products.

Table 3.9 Selected High-Earning Occupations

Occupation	Mean Annual Salary ($)
Anesthesiologists	196,976
Surgeons	180,856
Internists, General	169,749
Family and General Practitioners	146,370
Pediatricians, General	144,581
Chief Executives	135,304
Dentists, General	134,410
Lawyers	106,933
Engineering Managers	96,200
Personal Financial Advisors	88,046
General and Operations Managers	85,821
Aerospace Engineers	84,344
Pharmacists	83,075
Chiropractors	82,514
Real Estate Brokers	81,723
Computer and Information Systems Managers	81,078
Health Specialties Teachers, Postsecondary	80,930
Marketing Managers	79,435
Sales Managers	78,957
Securities, Commodities, and Financial Services Sales Agents	78,458
Environmental Engineers	76,960
Chemical Engineers	76,502
Financial Managers	76,003
Medical and Health Services Managers	72,925
Electrical Engineers	72,904
Purchasing Managers	72,488
Engineering Teachers, Postsecondary	72,320
Petroleum Engineers	71,906
Computer Software Engineers, Applications	71,698
Mechanical Engineers	70,221
Education Administrators, Postsecondary	69,618
Industrial Production Managers	69,056
Management Analysts	68,806
Veterinarians	68,619
Construction Managers	67,163
Computer Programmers	66,789
Operations Research Analysts	66,518
Computer Systems Analysts	65,250
Industrial Engineers	65,125
Sales Representatives, Wholesale and Manufacturing, Technical and Scientific Products	64,979
Education Administrators, Elementary and Secondary School	64,480
Health and Safety Engineers, Except Mining Safety Engineers and Inspectors	63,502
Clinical, Counseling, and School Psychologists	63,253
Civil Engineers	63,190
Business Teachers, Postsecondary	63,170
First-Line Supervisors/Managers of Non-Retail Sales Workers	63,149
Economists	62,005
Physical Therapists	61,714
Transportation, Storage, and Distribution Managers	61,630
Public Relations Managers	60,944

Note: The list of occupations is specific to the region, but earnings are statewide. Only the 50 highest earning single occupations are presented. The list does not include occupations that are affected by confidentiality. Some high-earning occupational groups are not listed because earnings can vary considerably for occupations within these groups. Employment data are rounded to the nearest 10. The data provided are based on the November 2004 release of the Occupational Employment Statistics (OES) combined employment and wage file. Estimates for specific occupations may include imputed data.

"NA" indicates data items that are not publishable or not available.

Source: Center for Business and Economic Research, The University of Alabama and Alabama Department of Industrial Relations.

Other Workforce Issues

Available Labor

The availability of labor is critical to economic development. WIAA Region 3 currently has a low unemployment rate, but it also has a 37,400-strong available labor pool that is looking for better jobs, typically higher-wage ones. This pool is made up of 32,300 underemployed and 5,100 unemployed. The region's underemployed workers are willing to commute farther and longer; 58 percent are prepared for 20 or more minutes longer and 44 percent for 20 or more extra miles.

A lack of job opportunities in their areas and low wages at the available jobs are the primary reasons given for being underemployed. Retirement and disability are the primary reasons given for not working, but a lack of job opportunities is also mentioned frequently. Some nonworkers may become part of the labor force if their problems can be addressed. Economic development efforts should take these factors into consideration.

Employment is growing faster than the labor force. Higher employment demand could reduce commuter outflow. The availability of jobs in the region presents communities with opportunities to attract new residents. Some communities must be prepared to invest in amenities and infrastructure to support such growth because immigration is generally more beneficial to communities than in-commuting.

Immigration is one way of growing the labor force through growth in the population. The region's population growth rate is low relative to the state's rate and this is expected to continue through 2010. Another strategy to expand the labor force to meet increasing employment demand is to focus on hard-to-serve populations, which include persons in poverty, those receiving welfare, those in sparsely populated areas, those on active parole, and out-of-school youth. These people are often outside of the mainstream economy and poor. They usually have difficulty finding work because they have low levels of educational attainment, lack occupational skills, or face geographic or other barriers. Some investment in training, transportation, child care, infrastructure, etc. may be needed to tap these potential workers. This strategy will raise labor force participation and may be very effective given the region's low population growth rate.

Skills

Jobs require skill sets and it is necessary that jobholders have the relevant skills. High earning occupations typically require more complex skills, which are obtained in the pursuit of the high educational attainment levels that such jobs require. Low earning occupations require fewer and more basic skill sets; some low earning occupations have no minimum skill set requirements (e.g. dishwashers and maids).

Table 3.10 shows the percentage of selected occupations in WIAA Region 3 that list a particular skill as primary. We define a primary skill as one in the top 10 of the required skill set for an occupation. O*NET Online provides skill sets for all occupations ranked by the degree of importance. Thus primary skills are more important than other skills. It is important to note that a particular skill may be more important and more extensively used in one occupation than another. Table 3.10 does not address such cross-occupational skill importance comparisons.

Table 3.10 Share of Selected Occupations for Which Skill Is Primary

	Selected High-Demand Occupations	Selected Fast-Growing Occupations	Selected High-Earning Occupations
Basic Skills			
Active Learning	35%	41%	72%
Active Listening	75%	90%	84%
Critical Thinking	55%	59%	92%
Learning Strategies	33%	21%	14%
Mathematics	30%	38%	32%
Monitoring	38%	31%	40%
Reading Comprehension	70%	83%	96%
Science	3%	10%	34%
Speaking	63%	69%	68%
Writing	38%	48%	46%
Complex Problem Solving Skills			
Complex Problem Solving	3%	14%	36%
Resource Management Skills			
Management of Financial Resources	3%	0%	16%
Management of Material Resources	5%	0%	4%
Management of Personnel Resources	10%	0%	16%
Time Management	45%	52%	52%
Social Skills			
Coordination	30%	34%	32%
Instructing	35%	41%	24%
Negotiation	5%	3%	16%
Persuasion	5%	10%	16%
Service Orientation	35%	24%	12%
Social Perceptiveness	43%	45%	14%
Systems Skills			
Judgment and Decision Making	18%	28%	68%
Systems Analysis	0%	3%	14%
Systems Evaluation	3%	3%	24%
Technical Skills			
Equipment Maintenance	15%	24%	0%
Equipment Selection	23%	34%	4%
Installation	15%	24%	0%
Operation and Control	15%	14%	4%
Operation Monitoring	10%	14%	2%
Operations Analysis	5%	10%	18%
Programming	0%	0%	4%
Quality Control Analysis	8%	17%	4%
Repairing	15%	21%	0%
Technology Design	0%	0%	10%
Troubleshooting	13%	28%	12%

Note: Definitions for skill types and skills are available at http://online.onetcenter.org/skills/

Source: O*NET Online and Center for Business and Economic Research, The University of Alabama.

In general, basic skills are most frequently listed as primary. Science and critical thinking skills are primary for more selected high-earning occupations than selected fast-growing and selected high-demand occupations. A similar pattern holds for complex problem solving, resource management, and systems skills; these skills require longer training periods and postsecondary education. The high-demand and high-growth occupations in the region are dominated by occupations such as Cashiers; Retail Salespersons; Combined Food Preparation and Serving Workers; and Waiters and

Waitresses. The most relevant skills for such occupations are active listening, reading comprehension, speaking, writing, and service orientation.

Education and Training Issues

Educational attainment in WIAA Region 3 is slightly below that of the state as a whole. Seventy-four percent of residents age 25 and over have graduated from high school, compared to 75 percent for Alabama. Of that population, almost 18 percent have bachelor's or higher degree; 19 percent of Alabamians do. Tuscaloosa County stands out with 79 percent high school graduates and 24 percent bachelor's or higher degree holders. All the other counties have lower educational attainment levels than the state. Skill and education requirements for jobs keep rising and emphasize a strong need to raise educational attainment in the region.

Table 3.11 shows the number of selected occupations in the region for which a particular education/training category is most common. In general, high-earning occupations require high educational attainment levels, typically a bachelor's or higher degree. Most of the high-demand and fast-growing jobs do not require postsecondary training. Work experience in a related occupation training is the minimum requirement for most fast-growing jobs. Some form of on-the-job training is the minimum requirement for most high-demand occupations. The challenge for the region is that future jobs are likely to require some postsecondary education and training.

The finding that basic skills are important for all the selected occupations (Table 3.10) indicates a strong need for training in these skills. Ideally, all high school graduates should possess basic skills so that postsecondary and higher education can focus on other and more complex skill types while enhancing basic skills. Employers should be an integral part of planning for training as they can point out the skill needs of the future and any existing gaps.

Table 3.11 Number of Selected Occupations with Most Common Education/Training Requirement

Most Common Education/Training Requirements Categories	Selected High-Demand Occupations	Selected Fast-Growing Occupations	Selected High-Earning Occupations
First Professional Degree		1	10
Doctoral Degree			2
Master's Degree			5
Work Experience Plus a Bachelor's or Higher Degree	1	2	13
Bachelor's Degree	3	2	16
Associate Degree	1	1	
Postsecondary Vocational Training	2	2	
Work Experience in a Related Occupation	3		3
Long-term On-the-job Training	4	6	
Moderate On-the-job Training	10	7	1
Short-term On-the-job Training	16	8	

Note: The last three education and training requirements categories are based on the length of time it generally takes an average worker to achieve proficiency for occupations in which postsecondary training is usually not needed for entry. **Long-term** requires more than 12 months on-the-job training that can include up to four years of apprenticeship, formal classroom instruction, and short-term employer-sponsored training. Trainees are generally considered to be employed in the occupation. **Moderate-term** requires one to 12 months on-the-job experience and informal training. **Short-term** requires up to one month on-the-job experience and training.

Source: O*NET Online; Center for Business and Economic Research, The University of Alabama; and Alabama Department of Industrial Relations.

High-earning occupations make up a small component of total employment and jobs offered by top employers in the region. Diversifying the region's economy would strengthen it. Economic development should also focus on retaining, expanding, and attracting businesses that provide more high-earning jobs. Workforce development should pay attention to postsecondary and higher educational systems to ensure a ready and available workforce for these businesses. The higher incomes to graduates of these institutions would help raise personal income for the region. Raising personal income by improving educational attainment and technological skills for a region that has low population and labor force growth rates is an effective economic development strategy.

A highly educated and productive workforce is a critical economic development asset. Together, workforce development and economic development can provide this asset and build a strong well-diversified regional economy. Indeed, one cannot achieve success without the other.

Regional Advisory Council Annual Report: Implications for Action

The material in this section is from the June 2005 Annual Report of the Region 3 Workforce Development Regional Advisory Council. It does not necessarily reflect the opinions of the direct contributors to this workforce report.

Action issue 1. Where must education and training opportunities be advanced or marketed to meet the demands of critical skills/worker shortages and high-growth occupations in the region?

1. Throughout the region an emphasis should be placed on instilling the "soft skills" (workplace ethics, problem-solving, team-building, communications) that apply to essentially all industries, including current and future.

2. The state's 10-week Focused Industry Training basic workplace skills training should be funded in the seven counties and made widely available as a means of upgrading the productivity of the region's workforce, and to support new and expanding industries.

3. To ensure that worker skills meet industry requirements, a region wide WorkKeys initiative should be implemented in conjunction with all preemployment, adult education, short-term training, and technical training. Targeted instruction should be made readily available through all local workforce development service providers to identify and address skill gaps. This will ensure that all individuals that are assessed through the WorkKeys system possess the skills needed for immediate employment or training in demand industries.

4. Much greater participation is needed in the Industry-Education Alliances and funding made available for alliance initiatives. The region's two-year colleges are committed to meeting the region's workforce training needs, and need increased and more stable support for vocational, technical, and occupational training.

5. Ongoing opportunities for skill upgrades must be aggressively developed for both industry and workers in order to stay abreast of technology and compete in the global economy. Partnerships with the community colleges to provide guidance and upgrading equipment must be maintained in a structured sustainable way.

Action issue 2. How can/should worker skills be generally upgraded in the region?

Region 3 needs a comprehensive workforce development system. Training is in place through the career centers and higher education-based training programs to address most of these worker skills issues, but efforts should be coordinated through a comprehensive system. Region 3 Advisory Council aims to develop such a system by articulating business/industry training needs, making sure training options are available and presenting a united front with regard to soliciting funding.

A variety of federal/state workforce initiatives dating back to the 1960s have produced mixed results. Therefore, there is a great deal of cynicism by private businesses and industries about these efforts. Participation by the private sector in the planning process, through the Region 3 Advisory Council (endorsed by the state WFD planning system) is crucial to successful implementation.

Action issue 3. How can future workers be helped to make better choices about career preparation?

1. As mentioned earlier, a strong, effective career education focus in the school systems is critically important. An expansion of job shadowing and the Choices programming offered through some chambers of commerce would achieve positive results, as could other career education initiatives.

2. Greater emphasis on the relationship between math and science and future career choices should be emphasized during middle school, just before parents and students make curriculum choices for high school.

3. The media can play a supportive role by highlighting careers in growing fields and explaining entry requirements.

Action issue 4. Should worker assessment and credentialing be increased in the region (pre-service and in-service training)?

Yes. Region 3 Advisory Council supports the state level efforts in defining and developing a state recognized workforce competency credentialing system including the Alabama Certified Worker through the Focused Industry Training Program as well as expanded WorkKeys assessment and targeted instruction.

Action issue 5. What roles should be played by the various stakeholder groups (employers, partner agencies, elected officials, faith-based/community-based organizations, Workforce Investment Board members, grantor agencies, news media, vendors/contractors) at the local, regional, state and federal levels in implementing the action steps outlined above?

1. Regional Advisory Council—To maintain momentum in their role of Regional Advisory Council members, consistent and continuous evidence must be provided by the local Workforce Board to indicate that their efforts are having an impact on decisions and policies made at the state level.

2. Employers—Employers should regularly communicate their current and projected workforce training needs to the Region 3 Advisory Council and provide candid feedback on training

effectiveness. Employer participation in the Industry-Education Alliances is essential for those alliances to function.

3. Partner agencies—These agencies should share information with each other about workforce training plans and initiatives, and combine resources to maximize benefit to job seekers and businesses. An Internet data system of all resources that is accessible to both businesses and job seekers could assist in the connection of skilled workers to job openings.

4. Elected officials—Should become familiar with workforce development issues. Bring about policy changes and help identify and leverage resources to create a seamless workforce system in the region.

5. Faith- and community-based organizations—These organizations have unique and valuable capabilities. Often, they have an opportunity to provide or communicate information and services to individuals who could benefit from training in order to obtain the skills to meet the needs of business and industry.

6. News media—As a public service, the media can help highlight career opportunities and the education and training requirements for career entry and long-term success.